

ROU Brief - 9/25/96

For: AVP/RSM/RBM/ROM/KAM/AM/RM-DFM/AE/MC/PC/PRC/SC

FSC-158-A

CONTENTS

- New Sales Rep Training Program
- Expert System Enhancement
- Poqet Reference Guide Updated
- CIV Coverage Report to Include Manpower Analysis (Report #668)
- Communication Guidelines
- Alliance Accrual Balances
- Flip Door Security Program
- Pack and Carton Shelf Kits for Wood Fixtures

| Sales | Retail |
|------------------|--------|
| 1221 | 1222 |
| 1222 | 1223 |
| 1223 | 1224 |
| 1224 | 1225 |
| 1225 | ROM |
| 1226 | PC |
| 1226 | SC |
| 1226 | MC |
| 1226 | PA |
| 1240 | |
| 1244 | RSM |
| 3530 | RBM |
| E-MAILED 9/27/96 | |

DISTRIBUTE TO ALL FULL-TIME FIELD SALES PERSONNEL

→ New Sales Rep Training Program

Numerous questions are being fielded regarding the status of a new Sales Rep training program which will replace the outdated S.M.A.R.T program. As information, we are near completion of a new Sales Rep training program that will consist of four basic components:

1. A "training" hard drive that will consist of several computer-based training segments.
2. A Sales Rep training manual in hard copy.
3. An interactive computer-based "selling" program similar to P.S.S. that will be delivered directly from the training hard drive.
4. A simplified computer manual to assist in the training of the lap top.

We expect to complete this project and begin rolling it out to the Field by November 1, 1996.

ROU Program Contact: Julie Sanders, extension #1367

→ Expert System Enhancement

Beginning September 30, the Expert System in the Poqet will ask the following question when a 10¢ pack discount is required in a call: "Will you be working pack coupons in this call?"

If the Rep responds "YES", the expert system will provide a suggested discount value of 15¢ since this is the lowest value coupon defined by the system. If the rep responds "NO", the expert system will provide a suggested discount value of 10¢ for a buydown or VPR since both vehicles are available in the Poqet.

As information, redemption cost is 11¢ on all coupons—no redemption costs are associated with a VPR or buydown. Example: 10¢ Coupon (face value) + 11¢ (Redemption Cost) = 21¢ Total Cost

The only exception to the above is in the four DORAL Equity Test Divisions (Columbia, Birmingham, Kansas City, Nashville) where a special 10¢ coupon will be defined during the test period.

ROU Program Contacts: Steve Zitta, extension #1289
Frank Petto, extension #1288
Don Williams, extension #5503

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ROU DETAIL

► Poqet Reference Guide Updated

Updated Poqet Reference Guides have been mailed to the Region Operations Units to be distributed to all Poqet users, including Military Specialists. A master copy should be maintained at the ROU.

Program Contact: Don Williams, extension #5503

► CIV Coverage Report to Include Manpower Analysis (Report #668)

Based on Field input, an enhancement has been made to this report to reflect FTE Selling and Retail Reps required for the requested geography based upon retail call frequency. When the report is requested, the user will have the option to input "Calls Per Day" for both selling reps and retail reps. The report will total all selling rep frequency and retail rep frequency and use the following calculation to determine FTE selling and retail reps required. Total gross retail frequency / (228 days * user input calls per day) = Number of reps required. The user input "Calls Per Day", FTE selling and retail reps required, and total retail frequency for the selected geography will be displayed on the summary page of the report.

Program Contact: Chris Minner, extension #1642

► Communication Guidelines

Communication guidelines have been established for Home Office personnel to streamline communications to the Field. Our objective continues to be to simplify and improve correspondence from Winston-Salem to you.

Attached for your reference is a copy of the communication guidelines sent to all internal departments in Winston-Salem.

We would appreciate your feedback on any suggestions you might have to further improve Home Office to Field Sales communications. Refer to specific FSC letters or other pieces of correspondence whenever possible when submitting your recommendations so that we may provide feedback to the appropriate people.

You may also want to consider potential application of some of these guidelines for improving Field-to-Field communications.

Program Contacts: Dick Luongo, extension #6110
Sharon Reid, extension #2584
Carla Davis, extension #7631

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→ Alliance Accrual Balances

There have been questions regarding the cross-use of alliance accrual funds in accounts that are both Peer and WAM members. As a matter of policy, be aware that all accrual monies earned on a Peer brand must be spent to promote that brand; the same policy holds true for the WAM brand. In no case are you to allow a distributor to use the alliance funds earned on one group's brand to promote the other group's brand.

Program Contacts: Your Region Business Manager
Your Area Manager of Operations
Jim Farmer, extension #0470

→ Flip Door Security Program

A retrofit kit is available to upgrade previously installed 6-Shelf and 8-Shelf High S/L (Spring Load) Locking Bars for Flip Door Security Systems. These kits may be ordered directly from the manufacturer using the Miscellaneous Spare Parts Order Form. Indicate the number of Retrofit Kits needed and forward to:

Schutz International
8710 Ferris Avenue
Morton Grove, IL 60053
FAX #847/965-7141
Attention: Don Bergeson
800/323-5439

Program Contact: Deborah Jones, extension #5875

→ Pack and Carton Shelf Kits for Wood Fixtures

Pack and carton shelf kits are available for ordering using the SMS item numbers listed below. Each kit contains the shelf with appropriate brackets and cartridge channel or retainer. If these items are needed on a component basis, continue to order through the Spare Parts program.

| Item # | Description |
|--------|---|
| 464951 | 1' Pack S/L Shelf with Retainer & Bracket |
| 464960 | 1.5' Pack S/L Shelf with Retainer & Bracket |
| 464942 | 2' Carton Shelf with Channel & Bracket |
| 460554 | 2' Pack S/L Shelf with Retainer & Bracket |
| 460473 | 2.5' Carton Shelf with Channel & Bracket |
| 460545 | 2.5' Pack Shelf with Retainer & Bracket |
| 460533 | 3' Carton Shelf with Channel & Bracket |
| 460551 | 3' Pack S/L Shelf with Retainer & Bracket |
| 460542 | 4' Carton Shelf with Channel & Bracket |
| 460560 | 4' Pack S/L Shelf with Retainer & Bracket |

Program Contact: Deborah Jones, extension #5875

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Communication Guidelines

The following guidelines have been established to streamline communications to the Field:

I. Field Sales Communications (FSC) Letters

- **IMPORTANT:** Originator of the letter and department head are responsible for the content of the letter, including legal review if necessary and review by all appropriate departments prior to sending.
- All FSC letters should contain the following (see Attachment A for format guidelines):
 - Subject
 - Is response required? If so, indicate response date.
 - Objective: **What** is the purpose of the letter/program?
 - Rationale: **Why** are we doing this? It is important that the user group knows the why of the program.
 - Letter Contents:
 - Keep writing as concise as possible.
 - Use bullet point format whenever possible.
 - Letter should be targeted/designed to communicate clearly with the end user.
 - List an internal contact(s).
- Any communication providing direction or policy to the Field should be sent as an FSC Letter. FSC Letters can also be informational in nature.
- Key Field Sales policy/direction will be sent under J.V. Maguire or Sales Area Vice President's signature.
- Correspondence should be e-mailed or delivered to Carla Davis for sending.
- We will attempt to send FSC letters to the Field each Wednesday. FSC letters should be received by Carla Davis by 4:00 p.m. each Tuesday to allow time for review. FSC letters of an urgent nature will be sent as needed.
- All FSC Letters will be assigned a numerical and A, B or C designation (see next page for details). Letters will be placed in "RJR Publications" under FSC Letters, which is an on-line indexing system where letters can be retrieved for future reference.
- Whenever possible, letters will be e-mailed to the Field. (Letters are U.S. mailed when it is difficult to e-mail due to photos, illustrations, brochures, etc.)
- Letters that must be U.S. mailed to the Field require extra timing. You should allow 2-4 days lead time for Sales Planning and Communications to coordinate with Copy Services and Mail Services on U.S. mailed letters and attachments. Keep in mind U.S. Postal Service delivery timing once letters are mailed.
- Contact Dick Luongo, extension #6110, or Carla Davis, extension #7631, if you have questions.

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Communication Guidelines

FSC Letter Designations

FSC-A *Letters are sent to Area Vice Presidents, Region Sales Managers, Region Business Managers, Region Operations Managers, Chain Account Managers, Account Managers and Region Military/Duty-Free Managers.*

FSC-B *Letters are sent to Area Vice Presidents, Region Sales Managers, Region Business Managers, Region Operations Managers, Chain Account Managers, Account Managers, Region Military/Duty-Free Managers and Division Managers, Retail Managers and Military Managers.*

FSC-C *Letters are sent to Area Vice Presidents, Region Sales Managers, Region Business Managers, Region Operations Managers, Chain Account Managers, Account Managers, Region Military/Duty-Free Managers, Division Managers, Retail Managers, Military Managers, and Sales Reps and Retail Reps.*

II. Customer Letters

- Customer Letters are designed to communicate topics such as price increases, new product launches, product changes, public warehouse information or RJR special initiatives. Customer Letters are sent to our wholesale and/or retail accounts.
- All Customer Letters (except wholesale or retail Western Union Mailgrams) should be e-mailed or delivered to Carla Davis for sending. She will coordinate preparation of appropriate address listings and timing of mailings with our Mail Services Department.
- All Customer Letters will be assigned a numerical and "J" designation and placed in "RJR Publications" under Customer Letters, an on-line indexing system where letters can be retrieved for future reference.
- Customer Letters usually must be U.S. mailed. You should allow 2-4 days lead time for Sales Planning and Communications to coordinate with Copy Services and Mail Services (depending on the magnitude of the mailing). Keep in mind U.S. Postal Service delivery timing once the letter is mailed.
- A copy of the J-letter is sent to the FSC-A Letter distribution list.
- **IMPORTANT:** Originator of the letter and department head are responsible for the content and for obtaining legal approval.
- Contact: Dick Luongo, extension #6110, or Carla Davis, extension #7631, if you have questions.

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Communication Guidelines

III. ROU Brief

- The ROU Brief is designed to communicate topics that are more administrative or FYI in nature. The Brief is also designed to combine multiple short topics under one communication in order to consolidate correspondence. Lengthy administrative letters will be sent as an FSC Letter.
- The ROU Brief is e-mailed to the Field each Wednesday afternoon. Items for inclusion in the ROU Brief must be received by Carla Davis by 4:00 p.m. each Tuesday to allow time for review and formatting.
- The ROU Brief is divided into two sections -- one for all Field Sales Personnel (including Retail and Sales Representatives) and one for Region Operations Unit (ROU) Management. It is the ROU's responsibility to ensure that the appropriate Field Management and Reps receive the proper correspondence in a timely manner.
- The ROU Brief will be assigned a numerical designation and placed in "RJR Publications" under FSC Letters, an on-line indexing system where letters can be retrieved for future reference.
- IMPORTANT: Originator of the ROU Brief subject and department head are responsible for the content of the topic. All ROU Brief subjects must list an internal contact.
- Contact Sharon Reid, extension #2584, or Carla Davis, extension #7631, if you have questions.

IV. SIS Bulletin Screen

- The Sales Information System (SIS) Bulletin Screen should be used only to communicate internal contact list, SIS system updates, programming changes, enhancements, etc. All other topics should be communicated via FSC Letter or ROU Brief.
- Contact Vanessa Perry, extension #6113, if you have questions.

V. SMS Bulletin Screen

- The Sales Materials System (SMS) Bulletin Screen should be used only to communicate out-of-stock items with expected delivery dates and system updates, programming changes and enhancements. All other topics should be communicated via FSC letter or ROU Brief.
- Contact Bill Brown, extension #3324, if you have questions.

VI. Wholesale or Retail Western Union Mailgram

- Western Union mailgrams for our wholesale or retail customers are only utilized for urgent, immediate communication (price increase, product recall, etc.). Special procedures must be followed.
- Contact David Williams, extension #3534, Jimi Ruff, extension #3510, or Julie Huneycutt, extension #7754, for questions on wholesale Western Union letters.
- Contact Denny Bomgardner, extension #3314, or Dick Luongo, extension #6110, for questions on retail Western Union letters.

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Communication Guidelines

VII. Field Sales Work-Withs (not applicable to internal Sales Department)

- Submit Field Sales trip request form (attached) a minimum of 4 weeks prior to requested work-with date to appropriate Sales Area Manager of Operations.
 - Northeast Sales Area (NESA): Don Fitzgerald, extension #2053
 - Southern Sales Area (SSA): Tom Odom, extension #2578
 - Western Sales Area (WSA): John Ellegate, extension #5760
 - Mid-West Sales Area (MWSA): Steve Qualkinbush, extension #0686

VIII. Warehouse Tours

- For requests for warehouse tours including GATX in Davie County and Grassy Creek; Young America, Minneapolis, MN; and Miller Manufacturing, Richmond, VA, contact Bill Brown, extension #3324, or Judy McKinney, extension #7473, a minimum of 2 weeks prior to requested date.

IX. Voicemail

- Should be used when person is not available to answer the phone and you need to leave or request information. Voicemail should only be used when necessary.
- Leave a detailed message of what you need to know and when so that the person you are calling can prepare the information before returning your call. Do not just ask someone to return your call.
- Clearly identify what is urgent and what is not.
- Voicemails should not request information which is readily available via other channels as it unnecessarily ties up other individuals.
- Our wholesale and retail customers should be given the highest priority when responding to voicemail.
- If you are going to be out of your office, change your message to indicate you are out, when you will return and who to refer calls to in your absence.

X. Teleconferencing

- Teleconferencing is an option for seeking Field input or explaining new or complex programs. However, it should be used selectively so that Field Sales and internal time is not tied up when not necessary.
- Requests for Field Sales teleconference calls should be channeled to Sales Planning and Communications or the appropriate Sales Area Manager of Operations.
- Develop a clear agenda for all teleconferencing sessions. Provide materials for review in advance whenever possible.

FIELD SALES TRIP REQUEST

(Please Type or Print Clearly)

Name: _____

Title: _____

Location: _____

Phone: _____

Mailing Address: _____

Instructions: Complete the top portion of form for each trip you wish to make and indicate alternative dates. You must submit request at least four weeks in advance. Forward your Field Sales Trip Request to the respective Sales Area Manager of Operations. Indicate job title of individual you would prefer to work with (i.e., Sales Rep, Retail Rep, Division Manager, Retail Manager, etc.) and your expectation of the type of work you would like to observe.

Destination (city and state): _____

1st Choice

2nd Choice

3rd Choice

Date(s): _____

Job title of Individual you would like to work with/expectation of type of work: _____

Purpose of Trip (Specific Objectives): _____

Hotel Accommodations: ALL hotel accommodations must be made by you through the RJR Travel Department. Contact the appropriate region office to determine which locations are convenient for Field Sales. The Sales Representative will meet you in the hotel lobby at 8:00 a.m. If your business requires other hotel arrangements not convenient for Field Sales, you should provide your own transportation to the sales office or other meeting location and report at 8:00 a.m. to meet the Sales Representative.

I will meet the Sales Representative at: _____ hotel selected by Sales

_____ other location (please provide address below)

Work Day: The work day will be from 8:00 a.m. to 5:00 p.m., so please schedule your departure accordingly. Dress for the work day is business attire. Pick up the tab for lunch or refreshments when working with a Sales Representative. It is appreciated.

Changes/Cancellations: Notify the Field directly. Copy the respective Sales Area Manager of Operations.

(To be completed by Field Sales and returned to individual requesting trip)

Trip Schedule:

Date: _____ Work With: _____ Position: _____ Home Phone: _____

Hotel Name: _____ Street Address: _____

City/State: _____ Telephone #: _____

Nights Of: _____ Confirmation: _____

Date: _____ Work With: _____ Position: _____ Home Phone: _____

Hotel Name: _____ Street Address: _____

City/State: _____ Telephone #: _____

Nights Of: _____ Confirmation: _____

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FSC Letter Format Guidelines

| | | | | | | | | | | | | | | | | | | | | | | | | | | |
|--|------|-------------------------------------|------------------|-------------------------------------|-----|----|-------------------------------------|-----|-------------------------------------|----|----|-------------------------------------|-----|-------------------------------------|------------------|-----|-------------------------------------|-----|-------------------------------------|----|----|--|--|--|--|-----|
| FSC- | Date | | | | | | | | | | | | | | | | | | | | | | | | | |
| SUBJECT: ① _____ ② Response Required? _____ Response Date _____ | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ③ DISTRIBUTION: <table> <tr> <td><input checked="" type="checkbox"/></td> <td>AVP</td> <td><input checked="" type="checkbox"/></td> <td>KAM</td> <td>DM</td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td>RSM</td> <td><input checked="" type="checkbox"/></td> <td>AM</td> <td>RM</td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td>RBM</td> <td><input checked="" type="checkbox"/></td> <td>Reg.Mil./DF Mgr.</td> <td>MIL</td> </tr> <tr> <td><input checked="" type="checkbox"/></td> <td>ROM</td> <td><input checked="" type="checkbox"/></td> <td>AE</td> <td>DF</td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td>REP</td> </tr> </table> | | <input checked="" type="checkbox"/> | AVP | <input checked="" type="checkbox"/> | KAM | DM | <input checked="" type="checkbox"/> | RSM | <input checked="" type="checkbox"/> | AM | RM | <input checked="" type="checkbox"/> | RBM | <input checked="" type="checkbox"/> | Reg.Mil./DF Mgr. | MIL | <input checked="" type="checkbox"/> | ROM | <input checked="" type="checkbox"/> | AE | DF | | | | | REP |
| <input checked="" type="checkbox"/> | AVP | <input checked="" type="checkbox"/> | KAM | DM | | | | | | | | | | | | | | | | | | | | | | |
| <input checked="" type="checkbox"/> | RSM | <input checked="" type="checkbox"/> | AM | RM | | | | | | | | | | | | | | | | | | | | | | |
| <input checked="" type="checkbox"/> | RBM | <input checked="" type="checkbox"/> | Reg.Mil./DF Mgr. | MIL | | | | | | | | | | | | | | | | | | | | | | |
| <input checked="" type="checkbox"/> | ROM | <input checked="" type="checkbox"/> | AE | DF | | | | | | | | | | | | | | | | | | | | | | |
| | | | | REP | | | | | | | | | | | | | | | | | | | | | | |

④ Objective: _____

⑤ Rationale: _____

⑥ Letter Contents: _____

⑦ Program Contact(s):

R. J. REYNOLDS TOBACCO COMPANY

- ① Clearly indicate subject.
- ② Is response required? If so, indicate response date.
- ③ Grid will be added by Sales Communications. You should indicate A, B or C level distribution.
- ④ Objective: What is the purpose of the letter/program?
- ⑤ Rationale: Why are we doing this? It is important that the user group knows the why of the program.
- ⑥ Letter contents: Keep writing as concise as possible. Use bullet point format whenever possible.
Letter should be targeted/designed to communicate clearly with the end user.
- ⑦ List an internal contact(s).

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